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CHANGES

SOCIALIST MONTHLY

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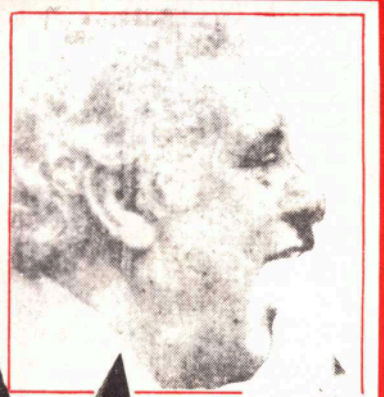
Union's Muscare



City's Byrne

"No More Handshakes"

LABOR BATTLES ROCK CHICAGO

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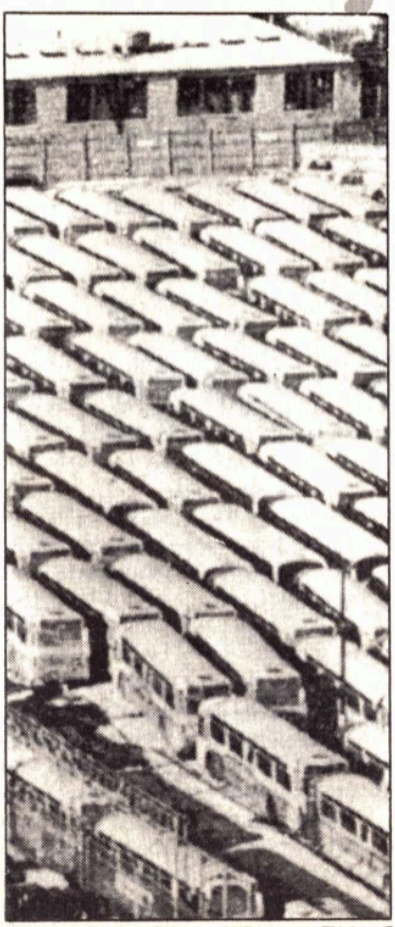
Chicago

THREE STRIKES AGAINST BYRNE

by Dan La Botz



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CHICAGO 1 2 3

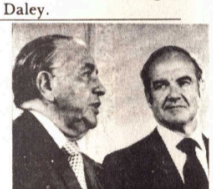
A striking Chicago fire fighter described how it began: "All of us from all three shifts reported to the firehouse by 4 a.m. We're all there, waiting, wondering about each other and who'd really go. And then one guy says 'Well, it's 5:15,' and he gets up. And a couple of other guys get up and then the next guy and the next and everyone is watching to see how many are going.

"You watch the tide. Then the guy next to you peels away and you say, 'It looks like this is it,' and you walk up to the others. The overhead door opens and you keep walking and then it closes and you're outside the firehouse. And you think, 'My God, we've done it. We're on strike'."

That was the beginning of the third big strike against Chicago Mayor Jane Byrne and the banks which, through her, have declared war on the public employees' unions in Chicago. These attacks, and the strikes in response to them by bus and elevated train drivers, by teachers, then and most dramatically by firemen, represent a basic change in the established patterns of Chicago politics.

POLITICS PAST—THE MACHINE

Politics under Mayor Daley was getting your garbage can, finding a job for your brother-in-law, getting a ticket fixed, getting a tax-break on your business. It was pounding the pavement for the precinct captain or showing up at a rally for the ward committeeman. It was cutting a deal in the back room of the Alderman's office or a byzsantine maneuver at city hall.



The Machine loves everybody. Above, Daley with Muskie. Daley and Kennedy in Chicago: Into the fold? Daley, Chats with Jimmy. Chicago's Mayor Daley pledged backing for Mr. McGovern, called him "the next President

The threads of these deals and fixes wove the fabric of the ethnic neighborhoods and the Black ghetto. They were the warp and woof of the union bureaucracy and the political machine; taken altogether they made up the marvelous social tapestry which was the city of Chicago.

If we would see this tapestry, it would look, not like a Gobelin to be sure, but rather like those humble rugs which depict the Last Supper that hang above the sofas in Canaryville or Bridgeport. Only at the center of the design would be, not the face of Jesus—but the fat face of Mayor Daley surrounded by his rubber stamp city council and the familiar faces of Bill Lee of the Chicago Federation of Labor, Bill Dawson, controller of the Black wards, the plutocrats Marshall Field and the McCormicks, and the gangster mugs of the Giancanas and Accardos. Not a pretty picture.

For more than twenty years, by habit and routine, by training and tradition, Chicago's citizens made the same moves that rewove this fabric of Chicago political life. The machine collected the votes—and then collected the taxes. The Mayor cleared the way for realtors and building contractors. The unions struck, and the Mayor intervened to assure wage gains—and labor peace. The mob ran its numbers, its drugs and its prostitution.

The pattern was a fascinating one of political bossism, of trade union corruption, of syndicate gangsterism, and of big business profiteering on a stupendous scale. Yet it was the sense of stagnancy and stifling repetition which were so striking in the fabric of Chicago's political life under Mayor Daley.

But Daley died, and now two powers have snatched at the corners of that cloth and are beginning a struggle that may see it torn to pieces. The struggle that has begun is the most progressive development in Chicago in twenty years. The stifling habit, routine and tradition of a generation has been ripped up. The hope is that politics will no longer be merely the fear and favor of the machine, no longer the deal and the scam. Politics may be made by thousands, perhaps even millions one day, in strikes and demonstrations, unions and community organizations. Perhaps the working people of Chicago can even weave a new design, a new pattern, and create a new political picture of Chicago.

DALEY'S DEAL WITH LABOR

To understand why these three strikes—bus and elevated train drivers, teachers and firemen—could potentially mean such a profound change in Chicago politics, you first have to understand the old arrangement with the unions under Mayor Daley.

While a good deal is often made of Daley's labor background, that was hardly the reason for the old arrangement. While Daley's working class family and trade union background may have given him a certain rapport with union officials and with his working class constituency, it was no more the deciding factor in his deal with labor than Jane Byrne's background as the daughter of an Inland Steel Company executive is the deciding factor in her political decisions—though both may have played a role. It was politics and profits that dictated Daley's arrangement.

The arrangement was this. Under Daley there was no uniform collective bargaining agreement for the more than 130,000 Chicago public employees (including school teachers). Some had collective bargaining, contracts and the union shop; some had no real contract and no real collective bargaining but merely verbal agreements or unsigned "memoranda of agreement"; still others were completely dependent on Daley's paternalism, the famous "handshake agreement".

A privileged group of 10 to 12,000 members of craft unions had an agreement to be paid the prevailing wage for private sector union workers in the same trade, which usually meant higher wages on an annual basis (because many private sector craft workers suffer seasonal layoffs).[1]

And all of these groups of public workers were riddled with patronage workers, dependent upon and loyal to the Daley machine. The party has at least 45,000 patronage workers—at least 30,000 working for the city, 15,000 working for the county, and thousands of others finding jobs in politically connected private companies.[2]

Daley intervened in the contract negotiations of all of the public workers and usually assured contracts that were comparatively generous, offering somewhat higher wages (if somewhat fewer benefits) than agreements for other workers doing similar jobs "on the outside." And Daley also intervened in strikes in the private sector, of construction workers or Teamsters, and used his political weight to help win higher wage settlements for these union members.

THE DEAL WAS NOT FOR NOTHING

Daley's involvement on behalf of the unions wasn't offered for nothing, of course. The 10,000 to 12,000 tradesmen covered by the "prevailing rate" system provided a group of particularly loyal precinct workers who turned out the votes for the machine and came to rallies and demonstrations for Democratic Party big-wigs.

The Teamsters and the craft unions gave the Mayor tremendous support. They gave thousands upon thousands of dollars to political campaigns, and they turned out virtually the entire union staff on election day to run the union's cars and buses between skid-row flop houses and the polling places.

Bill Lee's Chicago Federation of Labor cooperated with Daley in his attempt to keep the state legislature and the city council from passing a collective bargaining law. This helped Daley keep his grip on the public workers. Increasingly large numbers of Blacks and Latinos were thus kept divided and dependent upon Daley.

Daley's deal in turn helped the trade union bureaucrats who could give out their 12,000 city prevailing wage jobs to their clique in the union. And Daley agreed not to look into internal union affairs which were always racist and often corrupt. Throughout the 1960s and 70s while the city was 35% Black, the craft unions were less than 3% Black; the 19 craft unions in the Chicago Federation of Labor were virtually all lily white.

Chicago, of course, had tens of thousands of Black trade unionists, but in each union they were relegated to a secondary position. Though there were thousands upon thousands of Black steel workers, whites dominated the maintenance departments, the more lucrative production jobs, and the local union machine.

Likewise in the Teamsters, the enormous number of Black workers were kept out of the politically powerful drivers' locals and were confined to the manufacturing and food processing plants with lower wages. These plants were organized by less politically important locals always controlled by whites and usually controlled by the syndicate.

Over the years many union officials were appointed to government posts. McFetridge of the Flat Janitors was President of the Park District, and later on a blue ribbon committee to select a new police commissioner in 1960. William Lee, Teamster official and later CFL President (now in his ninth four-year term), was on the Mayor's Citizens Committee which nominated school board members, and was a Chicago Civil Service Commissioner—in which role he helped the Mayor circumvent civil service requirements in order to create the patronage army. Bailey of the Plumbers union served on the Chicago Board of Health.

The Democratic Party and the unions were often connected too by ties of blood; John Cullerton of the gangster-ridden Hotel and Restaurant Workers' Union was a nephew of the equally corrupt County Tax Assessor Parky Cullerton. And so it went.[3]

This arrangement was, perhaps, the key element in the machine. Of course Daley had an important understanding with the realtors of Chicago which allowed for tax breaks, red-lining and block-busting; and he had a deal with the bankers by which Chicago deposited its money in their banks and collected *no* interest.

Corrupt Black machine politicians were allowed to run their illegal and shady businesses without police interference—just as the white ones were—and they were also an important cog in the machine. But the deal with the unions was the key.

LABOR PEACE THE KEY TO SOCIAL PEACE

It was the key not just because labor has its own organization and apparatus, not only because labor controls more organized voters, and not just because labor has big treasuries. It was the key because *labor peace was the guarantee of social peace.*

As long as the labor movement was under Daley's control, no other force could successfully challenge his Regular Democratic Organization. The Blacks and Hispanics who suffered the racism and discrimination of the nations' most segregated city could have challenged and beaten the machine—in *alliance* with labor, but not against all the other forces *and* against the labor movement too. The lake-shore liberals of Hyde Park and the Near North could only criticize the machine—in alliance with the labor movement they could have crushed it.

Only the United Auto Workers had any degree of independence from Daley, and they were not a very large union in Chicago and by themselves could make no impact in the system. As a result, they were not likely to try too hard too often. Every dissident political movement, every other social movement was contained and controlled by the Democratic Party because of the Party's control over labor. Labor peace meant social peace and both meant profits for the corporations and graft for the politicians. Lavish loop construction projects continued while the neighborhoods deteriorated and the segregation remained.

THE DEAL'S OFF

This description of the Daley political machine and the Daley deal with labor could be found in many articles and books about Chicago politics. It is a fact of life neither shocking nor surprising to Chicago citizens. But there was a premise for the development of the machine and the deal with labor which has gone unstated. Simply put it is this: *the system was predicated and depended upon a rapidly expanding economy and a high rate of profit.*

An expanding economy meant the capital investment by industry and government, and that in turn meant the big construction projects which created profits for the realtors and contractors, and those meant jobs for construction workers and Teamsters, an expanding tax base for increased social services such as hospitals and schools.

Only on the basis of an expanding economy could Daley create an alliance between business and the trade union leadership. Even the Black community made economic and social gains during the 1950s and 60s, though not to the degree that white workers did.

But even before Daley died on December 20, 1976, the basis of Chicago's expanding economy had begun to be undermined. In 1974 there was a deep national recession, in which for the first time Chicago's employment fell below the national average. Moreover, under Nixon, Ford and Carter fewer federal monies have been available from Washington. The Chicago machine could no longer be lubricated with jobs and welfare from the Feds as it once had been.

Meanwhile white flight in the face of a growing Black population undermined the tax base as more prosperous working class and middle class whites fled to the suburbs. The Black population of Chicago doubled between 1950 and 1960 reaching 800,000, and then rose by 35% by 1970 to 1,102,620. During the same period 18.6% of the white population—half a million whites—fled the city.

Daley was fortunate enough to die before the structure collapsed. But had he lived, as some believed he would forever, he would have faced the same problems Byrne faces and would have had to deal with them similarly.

THE NEW MAYOR AND HIGH HOPES

Jane Byrne was elected to office, at least in part, as a reform candidate. Because she had criticized the callous racism of Mayor Michael Bilandic, who had allowed the rapid transit system to run express into all-white neighborhoods passing Blacks who stood freezing on the station platforms during the Blizzard of '79, she was seen by some as a Black's candidate, even though she opposed busing. Twelve South Side Black wards cast 63% of their vote for her, 2½ times her city-wide margin in the primary election; and in the general election nearly 90% of the Black wards voted for her.

She was also seen as the candidate of the 130,000 public employees (including teachers) to whom she promised collective bargaining and union contracts. Due to that promise she won the early endorsement of the Fire Fighters Union Local 2, which had just been rebuffed by Bilandic when it sought a contract. Their early support was probably important in winning other city workers' votes.

But Jane Byrne was not a reformer in the sense that she represented a reform movement or a reform organization. She had some inside contacts at City Hall from her days there as Consumer Affairs Commissioners, she had the press contacts of her husband Jay McMullen, a long-time Chicago reporter, and she had her campaign strategist Don Rose who made brilliant use of the mistakes of her incompetent, insipid and uninspiring opponent in the primary. But there was no base and no organization and no reason to believe that she would fundamentally change the machine of which she had been a part for many years.

Her spectacular campaign and phenomenal victory were largely the creations of a disastrous series of snowstorms and very good play from the media. But because she portrayed herself as the people's candidate running against the machine, she was able to win the support of some of the ethnic neighborhoods disappointed in city services, of Blacks resentful of racism, of public workers hoping for an end to paternalism, of lakefront liberals looking for a leader, and even of some radicals and socialists looking desperately for a "progressive" candidate.

From the day of Jane Byrne's 88% landslide victory

Campaigning in the subways. Byrne raised expectations, soon to be dashed, among blacks and city workers.

SIGNS Chicago

"Burn the witch [School Board Pres. Catherine Rohter]. Other variations: "Byrne the Witch" [CTU sign] and "Your mayor is going to Byrne down the city" [Firefighters sign].

Sign says "Save Our Schools." This slogan was taken up as the title of strike broadside. [See p. 24.]

City failed to create hostility between striking teachers and community, as shown by happy reunion below after return to work.

through her inauguration and first few weeks in office there was an exhilaration among Chicago's population, and a bouyancy in particular among Chicago Blacks.

She chose as her "transition chief" Northwestern Professor Louis H. Massotti, called the "brains of the Byrne operation", a former liberal assistant to Carl Stokes in Cleveland. Massotti's friend Donald H. Haider, a former deputy assistant secretary of the U.S. Treasury, was brought in to run the city's finances.

But the crisis was not to be solved by experts, professionals and reformers. During the summer and fall of 1979 the imported experts were either dropped from her staff, or were in fact never hired. Massotti dropped from sight almost immediately. And Haider was fired in the midst of the crises in January 1980.

In fact even before Jane Byrne began getting rid of the experts, the liberals and the reformers, she was beginning to "go over to the pros," to make her peace with the machine. After the party primary but before the general election she went from precinct to precinct and ward to ward to convince the machine that she was a Daley Democrat, a loyal member of the Regular Democratic Organization, the real heir to Daley's throne.

Edward Quigley head of the 27th Ward and deputy commissioner for streets and sewers proclaimed, "I love her!" though he had supported her opponent Bilandic in the primary—and gave $500 to her general election campaign. And he promised, "The Twenty-seventh Ward will keep winning. Skid Row has always delivered and always will." Other old line machine hacks followed suit.

A recent book, *Who Runs Chicago?*, observes that, while some thought the machine would fall apart after the death of Daley, "the structure proved stronger than the individuals who were its parts. The machine is the only political party there is in Chicago, the only real government. Jane Byrne ran against it all by herself—not to replace it with something else, but to regain her position and power within it."[3]

But she could not really be said to control the organization the way Daley had.

DASHED HOPES AND DIRTY DEALING

By the winter of 1979, less than nine months after her inauguration and before the strikes began, her policies had already dashed the hopes of the Black community. State Senator Richard H. Newhouse, in an article "This is the thanks Byrne gives her Black voters," which appeared in the *Sun-Times*, wrote a damning indictment of her treatment of the Black community. He accused her of having allied with Governor Thompson and the Republican Party to:

- 1) Raise the CTA fare 10% and the sales tax 20%
- 2) Stop tax relief which would have ended the regressive sales tax on food and drugs (only 1 of 5 cents was removed).
- 3) Increase the bonding authority of the Park district while doing nothing about blatantly racist management and poor conditions in the parks.
- 4) Destroy the Commission on Human Relations, the only agency dealing with racism, by dropping its 40 employees from her budget.
- 5) Fire 300 workers, mostly Black, from the Human Services Department.
- 6) Give the Cook County Hospital back to George Dunne's Cook County Board by eliminating the Health and Hospitals Governing Commission.

A word more deserves to be said of No. 6. Cook County Hospital is seen by poor Blacks as "their" hospital. It serves mostly Blacks and Latinos from the South and West sides. It has about one-third Black residents. It is the only hospital in Chicago that will help the indigent, and it is the only place that will take anyone who is sick and needs help.

The Cook County Board will either turn the hospital back into part of the patronage army, close it or privatize it. All Chicago Blacks see this as a direct and obnoxious attack on their community by the powers that be in Illinois and Chicago.

George Dunne, President of the Cook County Board, notified members of the House Staff Association, the union at Cook County Hospital, in February that their collective bargaining contract was cancelled. Referring to the resident physicians and interns Dunne said "Students who strike will be eliminated." Dunne, acting in concert with Mayor Byrne to stop public workers' unions said "What is collective bargaining? I talk to everyone and anyone who comes to see me—alone or in groups—and that's collective bargaining. If there is a grievance, there should be a meeting. But if government can't do anything, that should be it."

Linda Murray, president of the House Staff Association, says that a "lawsuit is possible," and that a "walkout will, of course, be considered," She joined with spokesmen for the Black community in claiming that Dunne's "dismantlng of collective bargaining" is an important part of his obvious plan to reduce health services."

To Senator Newhouse's list should be added Byrne's failure to bring Blacks into her administration, which remains mostly white and mostly Irish.

BANKERS AND THE BUDGET

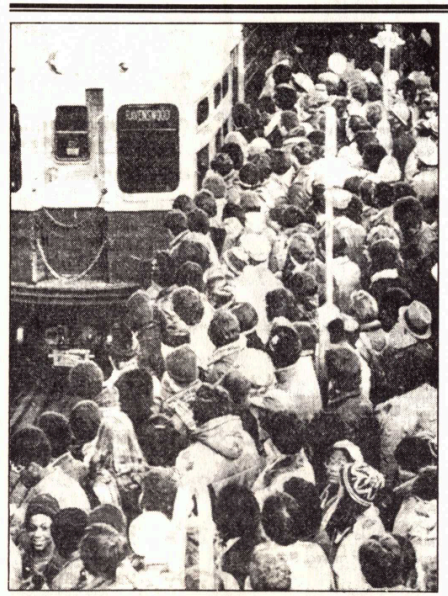
It was in making the 1980-81 budget that an old component of the machine began to assert itself in a new way. That component is the Chicago banking community. The most important Chicago banker, A. Robert Abboud of the First National Bank of Chicago, is known nationally for having loaned Bert Lance $3.4 million just as Lance was moving into the Office of Management and Budget. Abboud is also known as the banker who was able to shoulder aside some New York and European bankers and get an inside track into Teng-Hsiao Peng's new "modernizing" China.

A 1977 Associated Press survey conducted among 36 top Illinois business, government, labor and education leaders asked who they considered to be the ten most powerful people in Illinois—Abboud was number 1, considered more powerful than Governor Thompson or businessman Marshall Field. It was Abboud and other Chicago bankers and businessmen who began to exert their influence on Byrne and the machine. The banks, with their control over "paper"—that is over the sale of the various municipal, school board, water district or park district, etc. bonds—began to urge a policy of fiscal austerity on the mayor. The banks were urging that the mayor make Chicago citizens and workers pay for the economic crisis.

Just after Jane Byrne won the election her campaign strategist Don Rose explained the way the banks' control over the city worked to a reporter for **In These Times,** "Well it's a subtle form of control. If you accept the fact that the budget is the single most important policy function of the city, the financial people who negotiate rates and sell bonds in the open market are terribly important . . . They have influence over your tax rates, property assessment and inflation, on your income and expenditures. Basically, they don't come in and say, 'Don't spend money over in that school district,' but their message is clear." The banks have turned out to be a lot less subtle and a lot more explicit in their demands than even a sharpy like Rose had foreseen.

Byrne proposed a 1980 budget which would cut 1,500 city jobs—800 through attrition and 700 through firings. At the same time she began going out with heads of the various city departments to make surprise visits on city workers. Workers who were not at their posts, or who were "loafing" were disciplined, suspended or fired. She also threatened to cut the wages of the 10 to 12,000 city workers covered by the prevailing rate agreements. Jane's attack on the prevailing rate was not intended to reform the political or trade union system, but to attack the wages and conditions of city workers generally. She then announced that she would not honor her campaign promise to grant a collective bargaining agreement for city workers. The city, she claimed, could not afford union contracts and the higher wages which would go with them. Finally Byrne went out and hired Seyfarth, Shaw, Fairweather and Geraldson as a consultant to the city in dealing with its labor problems. Steve Askin wrote in the prestigious *Chicago Reporter* that Seyfarth is probably one of "the nation's most active advisers on workplace counter-organizing;" that is, it is a notorious anti-union law firm.

Because of this string of attacks on the Chicago Labor movement, Alice Peurala, President of Local 65 of the United Steel Workers of America resigned from the Mayor's Committee on collective bargaining. When Peurala and others walked out of the meeting, Bill Lee, President of the Chicago Federation of Labor, hemming and hawing, was also forced to walk out. Lee may have felt a little peculiar being on this committee to begin with since he had spent most of his 32 years as the head of the CFL fighting against collective bargaining for public workers. But Alice Peurala had forced him into going along with her symbolic protest or staying on with the city and looking like a scab. Frank Muscare, President of the Firemen's Union thanked Peurala for her support of the firemen and other public workers.



One hour wait at Ravenswood El. CTA offered free rides in rush hour, run by management personnel.

1

STRIKE ONE—THE CTA WORKERS

The first battle where the Mayor revealed just how scurrilous she could be when doing the banks' work against the labor unions was in the battle with the 11,000 bus drivers and subway and elevated train motormen and women of the Chicago Transit Authority when their contract expired in November of 1979. Unlike other city workers they had a contract, collective bargaining and the union shop—the Amalgamated Transit Union Local 241 and 308. Their demands were really quite modest, a continuation of the cost of living (COL) clause which they had had since the 1950s and a continuation of their work rules and conditions.

However, with the pressure from the banks behind her, Byrne demanded *take-aways* from the union, asked them to give up wages and conditions which they had won decades ago. The city demanded that the COL be calculated not quarterly but twice a year—meaning a loss of $364 per worker per year (at present inflation levels)—and a cap of 14% on the COL. Byrne also wanted the workers to postpone a $.24 an hour increase due in December at a cost to the workers of $500 per year. And Byrne and the CTA wanted to hire part-time workers, reclassify workers to lower paying job categories, slow

down the rate of progress from lower paying job categories, slow down the rate of progress from new-hire to the highest pay classification from 3 to 5 years.

The union was not anxious for a strike and continued to work through November without a contract as negotiations proceeded, and the union agreed to the city's demands for changes in the COL—in itself an enormous sacrifice by city workers. But the banks and Byrne were not interested in compromises—they wanted to inflict a defeat on the public workers and teach a lesson to teachers and firemen and others who would also soon be asked to sacrifice.

Finally faced with Byrne's intransigence, on December 17 the 8000 bus and 3000 train operators walked off the job and shut down the system. The timing was wonderful because the shutdown of public transportation could cost the downtown loop merchants on State Street as much as $1-4 million per day. This put business pressure on Jane to end the strike quickly. And this she was determined to do, but not by making compromises with the strikers.

She immediately went on TV and the papers and tried to demoralize the strikers by claiming the "unemployed" would be hired to operate the CTA system." She claimed that she would have "10,000 women hired to drive the buses;" and pictures appeared in the papers showing the Mayor's daughter Kathy Byrne being trained to operate the "L" (elevated train). Byrne attempted to create a mood of panic among the public by the claim that if the union's demands were met there would be a $135 million dollar short-fall and fares would be raised to $1 one-way, with a raise in taxes to make up the difference.

The CTA workers, largely Black and Latin and with small but increasing numbers of women workers among them, faced a publicity campaign from the politicians and the press, and a sentiment from the white public, which was largely racist. While commentators and editorialists repeatedly asked, "Should a bus driver make $20,000 a year? What do you make?"—one could hear them saying, sotto voce, "Should a nigger make $20,000 a year?" Mayor Byrne played into this sentiment as she appeared on TV waving computer printouts showing that 20 workers had made between $30,000 and $50,000 a year, without indicating their job classification or the amount of overtime they had worked.

She also attempted to create situations which would lead to violent confrontations with the strikers or injuries to the public so that she could get injunctions and contempt citations against the strikers. Out of the 11,000 strikers the Mayor found six scabs and sent them out in six buses guarded by a score of police cars on unscheduled irregular routes while forty management employees ran the 'L' and subway system during rush hours, and all passengers were allowed to ride free. Because of Byrne's antics L and Subway platforms were so dangerously crowded that police were sent to control the crowds and keep them from being electrocuted or from falling in front of the train.

While this media campaign against the workers was going on, Bryne went before a judge and got an injunction. The injunction which was granted the first day of the strike sought fines of $500,000 per day against the union, $5,000 per day against the officers of the union, and $1,000 per day against the strikers. Bryne and the CTA at the same time threatened to have all strikers fired for failing to report to work. And Chicago's police arrested at least eight pickets for alleged violations against scabs or company equipment.

The union succumbed to the injunction, the fines, the threats . . . the CTA and the unions were forced into binding arbitration; workers would continue to work under the old contract and receive the $.24 owed them under the old contract. Byrne and the banks had won their first victory. The CTA workers, though they had stood solid during their strike against the company, were not yet prepared to stand up against the court, its injunction, and its police. Binding arbitration would mean wage cuts and loss of job security in the contract to be announced by the arbitrators in March of 1980.

Most important, Byrne had been successful in isolating the CTA workers. She had portrayed them as striking against the city, against the poor, against other workers who were trying to get to work or downtown to buy presents for their kids. And she had succeeded in large measure due to racism in the white community. Black and Latin workers were more sympathetic to the Black and Latin workforce of the CTA.

Scabbing is a disease that runs in the families of Mayor Jane Byrne, whose daughter Kathy seen [right] working in the office also posed for pictures learning to operate an elevated train, and Board of Education President Catherine Rohter, whose daughter Cathy Acuna [below] is heckeled crossing a teachers' picket line.

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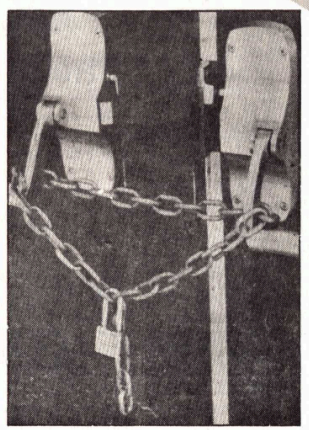


Byrne had led the attack on the CTA workers—the banks now relieved her and attacked the Chicago Schoool Teachers. The bankers' attack was a strike, a strike of capital against labor—and in fact a strike of capital against kids, against Chicago's school children. In November 1979 Moody's Investors Service dropped the Chicago school board Bond Ratings from 2 to 4; Standard and Poor dropped them from A-minus to BB and in late December to CC. When in January the city of Chicago moved to prop up the school board, Moody's lowered Chicago City Bond ratings (separate from the school board) from AA to A.

Because of the fall in the ratings, bankers refused to bid on the bonds making it impossible for the school board to borrow money to pay its bills, including the paychecks of its teachers. It was revealed that the school board needed about$200 million immediately and $475 million in the near future to meet its needs—otherwise it would default on loans or not meet the pay roll. Joseph Hannon, School Superintendent and the highest paid state official at $82,000, resigned from his post. Then John Carey, School Board President resigned and went on vacation. The two top financial officers of the school board also quit.

As the situation unfolded the school board disclosed that it had not paid various agencies for which it had made payroll deductions—these included: state and federal tax, credit unions, hospitalization premiums, savings bonds, savings accounts, vendors—and none of the union accounts, dues, credit unions or teachers' pensions. The Securities and Exchange Commission and the IRS both began investigations. Still why the crisis had arisen at this time was not made clear.

The real explanation is not to be found in the double-entry bookkeepping, fraud, embezzlement or in double crossing, it's to be found in politics. The crisis of the schools is part of the fiscal crisis of American government, and that is only part of the general crisis of American capitalism. The accumulated problems of a weakening economy—aggravated by a fall in city income from federal sources—and the undermining of the tax base due to white flight have combined with the political opportunity presented by the death of Daley and the defeat of Bilandic to give the bankers and businessmen an opportunity to assert political control over Chicago more directly than they did in the past. And they decided to do that through Jane Byrne.

So as the crisis unfolded Jane Byrne demanded that a group of bankers and businessmen be put in charge of the school district with full power to reduce costs. Those costs would be reduced at the expense of Chicago's school district workers and Chicago's children, particularly its Black and Latin children. (The school are 60% Black and 20% Hispanic.)

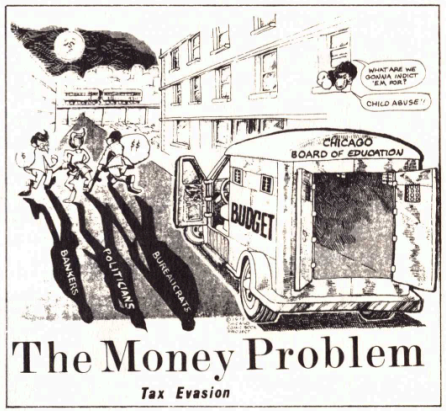
THE BANKERS TAKE OVER

The plan to solve the crisis was arranged by Jane Byrne, Republican Governor Jim Thompson, Chicago Teachers Union President Robert Healy and several businessmen and bankers. It has the school board delegate many of its financial and administrative powers to a five-person School Finance Authority. The Authority is made up of some of the leading members of Chicago's capitalist class. Interestingly enough, according to Nick Rapkin, an assistant to independent Alderman Young, all of these business figures are associated with companies which failed to keep up their tax payments on the personal property tax on business—and thus brought on the school crisis; yet they are chosen to cut the school budget.

In addition to the Authority which now in effect runs Chicago public education, a businessmen's organization called Chicago United took it upon itself to create an Education Task Force to investigate the Chicago schools and make recommendations to improve Chicago education. The Chairman is Warren Bacon, an executive of Byrne's father's firm, Inland Steel Company. Bacon says that, "The framework in which education is offered is flawed. You can't expect people trained in education to run a multi-billion-dollar organization." So the Chicago United Education Task Force in conjunction with the School Finance Authority has taken on the teacher's union. Mayor Byrne has given it her blessing and the *Tribune* has praised its work.

As the school crisis deepened it also affected the city of Chicago's finances. The drop in school bonds in November led to a drop in the city's bonds in January. So Byrne also brought businessmen and bankers into city hall in a bigger way too. Bryne fired her expert financial advisor Donald Haider, then got on the phone and called A. Robert Abboud of First National Bank and asked him for Edwin H. Yeo III, Abboud's number 3 man, to replace Haider.

Yeo, who had negotiated against the school board and the city and for the banks at earlier meetings, was willing to come but only if he could keep his high salary—he got $175,000 from First National—which he needed to commute between his Chicago Gold Coast, Manhattan and Cape Cod homes. Byrne and Abboud agreed to work out an arrangement to pay a salary which has been reported at anywhere from $50,000 to $150,000. Yeo is now said to be making $100,000, making him the highest paid official in the State of Illinois. The *New York Time* wrote that, "As Chicago's chief financial adviser Mr. Yeo will find himself in a role akin to what the investment banker Felix Rohatyn assumed as chairman of New York's Municipal Assistance Corporation in 1975."



From "Save Our Schools," a broadside put out by union substitute teachers.

CARRYING OUT THE CUTS

As the bankers were taking their places in the school board and city administration the attacks began on the teachers. Mrs. William L. Rohter and Angeline P. Caruso —both white—had been, respectively, elected and appointed School Board President and Interim School Superintendent. It was they who carried out the cuts of the school budget, the layoffs and the school closings—but they were, simply and quite transparently, fronts for the real powers—Byrne, Van Gorkom and Yeo, and behind them Abboud and the bankers.

The banks refused to bid on Chicago School Board bonds, that is, refused to loan money to the school system, until $60 million had been cut from the budget. When the crisis began in November, 1979, the school system employed 48,600 workers, 42% of whom were teachers, at 655 schools serving 494,888 students. At the beginning of the crisis there was an atmosphere of panic—the school board and the newspapers speculated that the entire system might have to be closed for several months and that as many as 6,000 workers could be laid off.

By January the situation had stabilized to some degree and the board announced that 4,000 employees—half teachers—would be laid-off, at least 35 schools would be closed, and the Chicago Teachers Union was told that it was going to have to renegotiate its contract at reduced wages and benefits. Unable to pay its bills without loans from the banks, the board did not pay teachers for three consecutive weeks from mid-December to the first week of January 1980.

From the beginning Healy and the union accepted 1000 of the 2000 layoffs. Whether they believed that 1000 jobs would be lost anyway due to declining enrollments, or that 1000 jobs could be absorbed by attrition, or simply because they felt they couldn't fight for all 2000 wasn't clear. They were fighting to save 1000 jobs.

In mid-January Healy met with Governor Thompson, Mayor Byrne, businessman Jerome W. Van Gorkom and others and agreed to the creation of the School Finance Authority with the understanding that 1000 jobs would be restored. But, though the School Finance Authority stayed in place, the jobs were not restored as agreed. The teachers had been betrayed, and it was not the first time.

The Chicago teachers and their union had been through "crises" before, though nothing as threatening as the current cuts. The union had been forced to strike in 1969, 1971, 1973 and 1975—and in the last two had stayed out a dozen days. While Daley was still alive he intervened and settled the strikes.

Now, three Fridays without pay, the threat of 2,000 layoffs and of what those layoffs would do to education created a spirit of anger, resentment and resolution among the teachers.

The union was no longer run by Daley's friend John Desmond—but was headed by Robert Healy, who, though he seemed to have been tamed by the office of President, had come to that office as leader of a reform caucus and as a radical. The union was extremely democratic in its structure, its executive board responsible to a 700-some-member House of Delegates elected from the schools.

THE BIGGEST UNION MEETING

The union did not back down from the bankers and the board. On Friday January 25, 1980 the Chicago Teachers Union House of Delegates voted 700 to 1 not to work without pay and not to accept all of the cuts demanded by the Board. The only person who voted against the motion wanted to accept no cuts in education whatsoever. Passage of the motion, which had been put forward by Healy's executive board, called for a job action—the teachers avoided calling it a strike. Members of the House had not expected Healy to lead them out in a job action, and several militant delegates got up to tell him that they had come expecting to have to fight him and were happy to see him leading the movement.

Faced with the drastic Board cuts, the militant spirit of the teachers, and an election in May of 1980, Healy had little choice. His radical background and reform caucus experience were drawn upon. Healy led mass demonstrations and rallies, and fired up the teachers with speeches like one he gave at a mass rally in the Loop where—pointing in the direction of LaSalle Street (Chicago's Wall St.)—he called the bankers "bloodsuckers."

The job action was extremely effective. Most teachers and students stayed away, though skilled tradesmen and some janitors and cafeteria workers went to work with the approval of their unions—Healy called the other union officials scabs. But still the board refused to rescind any of the layoffs, and went on discussing further cuts.

Forced to further action, the CTU called a general membership meeting on Sunday, February 3, 1980 in the Conrad Hilton Hotel. 14,000 members attended. When Healy mounted the podium he said, "This is the biggest union meeting I've attended in my life."

In a passionate speech and to the continued applause of the teachers Healy told the meeting he wanted them to vote to strike to save teachers' jobs, to keep a full school calendar and to keep their contracts and conditions. "They want to hit us in the gut. If they think they can buy off the Chicago Teachers Union with paychecks, I'd spit in their eye before I'd vote for anything but the strike, damn it." The teachers voted to strike 7,717 to 2,506, by 3 to 1. Jane Byrne and Rohter and Caruso tried the same tactics they had tried against the CTA—but this time they

Audience of 14,000 teachers at the Conrad Hilton applaud union president Healy's call for a vote to strike.

didn't work. They said that the teachers were striking against little children, and they told the teachers and students to come to the schools. Free lunches were available for students in the free lunch program—but virtually nobody went back to work, and almost no students returned to the schools.

Jane Byrne went to court and got a temporary restraining order and attempted to get an injunction and have the union found in contempt. The Chicago *Tribune* wrote an editorial suggesting that ". . . fines assessed against the union treasury would hit a vulnerable spot . . . seeking and winning a stiff fine for each day that the CTU prolongs its strike the schools might be able to resume functioning soon." But the teachers stayed out on strike and ignored the court order and the threats of fines.

Teachers defy court order.

Teacher Howard Fink and children at one of the striker-run alternative schools, here in the Ambassador West Hotel.

THEIR FINEST HOUR

The Teachers Union strike was the finest in its history—it was 97% effective with less than 770 teachers out of 23,355 reporting to work, and only 1.4 per cent of the children (6,677 out of 472,897) reporting. Unlike the CTA strike, Byrne could not divide the teachers from the community. Parents in many neighborhoods went out and walked the picket lines. Bus drivers drove by and gave the clenched fist salute to the strikers. Cars honked and waved as they passed the striking teachers. Schools like Kenwood High School which had never been closed before and was considered a "scab center" among union activists was closed and picketed just like the other schools.

During the strike a number of militant activists were able to put forward an analysis of the crisis and a program for its solution which was in part picked up by the union. A group called Subs, made up of substitute teachers who are members of the teachers union, put out a broadside paper called Save Our Schools in which they projected a coalition to save the schools made up of teachers, parents and students. They called for "No Cutbacks in Education" and "No Layoffs of Teachers."

At the same time they showed an alternative to teacher layoffs. They pointed out that the schools were paying $49 million interest per year on a $234 million debt to the bankers. They showed that 127 bureaucrats at the board of education were collecting $5 million per year—34 of them making over $40,000 per year with a top of $82,000. And they showed how the school board had leased potentially lucrative pieces of land in the Loop and on the gold coast to Chicago's rich at ridiculously low rates. And finally they showed how Chicago had spent $400 million to duplicate facilities to prevent the integration of Chicago schools.

Similarly, parents' and citizens' groups sprang up in many neighborhoods to defend the teachers and the children against the banks. A Northside group, the Citizens Committee on the School Crisis, representing as many as 40 school, PTA and District Councils, which has had as many as 200 at its meetings, opposed all cuts in educational service, objected to the bankers' Financial Control Authority, and demanded that the board collect the $300 to $600 million it has coming from Chicago business, including business represented on the Authority. They also pointed out that 17% of the real estate tax goes uncollected annually. Among those who weren't paying were Ryerson Steel, Exchange National Bank, Aetna Insurance, Wieboldt's department store, and Polk Brothers furniture and appliances. They pointed out that among the sweetheart leases on school property was Midway Airport.

VICTORY AND DEFEAT

The Teachers Union won a qualified victory in their strike. They returned to work February 11 after voting the day before at a mass meeting 4,635 to 213 (96%) for the contract. They had gone out on strike to save 1,000 jobs and had saved about 500. They had lost only one day of their work-year and had not given up their contractual conditions. The strike had been a demonstration of what can be done in the face of a vicious anti-union attack if the union and the community stick together.

There was another victory in the teachers' strike as well, partial but important. A section of the labor movement had put itself forward as the defender of the Black community. Chicago's schools are 60% Black and 20% Latin; like the city, the schools are segregated. In October 1979 the federal government sued Chicago demanding that the city implement a program to bus 114,000 students throughout the city. With the outbreak of the crisis Jane Byrne declared that program dead for lack of money. And Byrne and the Banks also killed Chicago's token desegregation program, the voluntary Access to Excellence, which, while not a real program to desegregate the schools did offer some students an opportunity to get into programs they desired which were offered at other schools. The Magnet schools, Disney Magnet School for example, which draw a student body from around the city to often excellent programs have been virtually destroyed by the cuts.

The PUSH organization led by Jesse Jackson held demonstrations of hundreds in the Loop criticizing Jane Byrne for putting whites in charge as the top officers of the school board. The Black community rallied to the Teachers Union strike. Many of the teachers are Black and the interests of the union and the community in preserving education and jobs were common. To some extent the union was seen as the defender of the Black community and the Black community was seen as the supporter of the striking teachers. In Chicago there is no longer labor peace—and there was no longer social peace.

But it could have been more. While Healy and the union executive board had picked up on both the analysis and the program of the militant union and community groups, they had not accepted the essential point—the demand that the Authority, the bankers' control over the board be abolished. Since the strike, the School Board has announced that between $115 and $118 million more must be cut, nearly twice the $60 million cut since the crisis began.

STRIKE THREE—THE FIRE FIGHTERS

3

Like the two earlier strikes the Byrne administration's confrontation with the firefighters was provoked by the city, determined to humiliate and demoralize the union. Early on in Byrne's campaign against Bilandic she promised collective bargaining to city employees and won the endorsement of the firemen for her promise. But once elected to office, she claimed that the contracts and their financial terms were impossible in times of austerity; later she modified her position and said a contract would be acceptable to the city council in a collective bargaining ordinance.

The firemen, however, feared that such an agreement might impose harsh fines and penalties for job actions or strikes. In any case it would tie their contract ordinance to the much weaker AFSCME Locals organizing among city clerks and office workers, many of whom were part of the machine's patronage army. So the Firemen decided they were willing to strike.

The Firemen's fight began with a meeting of rank and file firemen – both officers and rank and file – in the home of William J. Reddy, Fire Capt. in 1973. They were rank and file members of the Fire Fighters Union, an organization that was, like so many city workers unions under Daley, more like a fraternal organization or a club than a union.

They decided to run a slate for union office – and they won the majority of the executive board. Reddy became Vice-President; Pat Houlihan became Financial Secretary and Treasurer; Frank Murphy was elected Vice President, and James Hardy Trustee. Once elected, this militant slate aligned with Frank Muscare, the Union President, and held him to an aggressive organizing and collective bargaining position. The Firefighters demanded a written contract from Daley's successor, Mayor Michael Bilandic, and when he refused they threw the small – but significant – weight of the union to Jane Byrne.

As both the CTA and the school strikes were going on Muscare and the militant Executive Board of Local 2 of the Chicago Fire Fighters gradually turned up the pressure on the city and geared up the firemen for a strike. In December 1979 they took a strike vote and out of 3,905 eligible union members, 2,326 voted to strike and 658 voted against. They sought endorsements from other unions but only got them from small city workers groups: COP – the Confederation of Police (one of 6 policemen's fraternal or union organizations) and AFSCME.

Muscare kept repeating his intention to get collective bargaining and a contract though it meant a strike and a jail term. In mid-January Muscare told union members to remove personal belongings from their lockers and get ready to strike – a deadline of February 1 was set. The deadline passed several times as various "final offers" from both sides were rejected. The city and the firefighters went to mediation before both state and federal mediators and still the talks kept breaking off, usually because of provocative positions taken by Mayor Byrne.

The demands of the Firefighters were:

- that all rank and file firemen and officers be included – the city wanted officers excluded from the bargaining unit
- the union wanted 5 men on engines and 6 men on ladder trucks; the city wanted 4 men on all trucks as at present
- the union wants manpower shortages to be made up by paying the firemen currently on the payroll overtime; the city wanted to hire 250 more firefighters.
- the firefighters want the right to strike at the end of each contract, through they are willing to have a no-strike clause during the life of the contract; the city wants what it calls a perpetual no-strike agreement.
- both sides agree to arbitrate differences, but the union wants the arbitration to be conclusive, and not be thrown out of court as has happened recently in Illinois when suit was brought by a taxing body, like a city.
- the union wants a raise reported variously as 4 or 10 percent and wants the city to open its books to prove it can't pay more. The city wants austerity.

BYRNE THE BUSTER ONCE MORE

The talks broke down completely on Thursday, February 14 because of Jane Byrne's refusal to budge on the "perpetual no-strike clause". The Firemen's union offered to take over the department and conduct firefighting and life saving operations during the strike – to strike without striking, as it were, if management would surrender the firehouses to them. Byrne refused, claiming that Chicago's insurance would not be in effect if she allowed the Firemen to take over the Fire Department from the City government. So Jane Byrne both forced the strike and deprived the citizens of Chicago of the voluntary services of its firemen during the duration of the strike.

Jane Byrne's handling of the strike was a replay of her combination of media and court action against the strikers. Just before the strike she went to papers and television and declared: "Anyone who doesn't report for work . . . will never again work for the Chicago Fire Department. Never! If they walk off this job they can forget they were ever members of the Chicago Fire Department." She threatened court action, firings, and virtually called the firemen killers who would see the citizens of Chicago burned alive.

It was a big test for an organization that had only in the last few years been turned into a real union and that had never been tested in a strike. The union reported that on the second day of the strike only 121 firemen were on duty; the city claimed 400 but included untrained new hires. A normal complement is 950.

Byrne went to court and got a temporary restraining order from Judge John Hechinger who said " . . . this is clearly an illegal strike. There is no law supporting a strike by public employees in Illinois, and that's why I signed the restraining order. It wasn't blue flu. It wasn't anything other than a strike."

Illinois State's Attorney Bernard Carey sent a letter hand-delivered to Muscare that warned him of criminal penalties if the strike continued. It read in part: "Please be advised this office will scrutinize any reckless conduct by you and the members of your union which endangers the lives of the people of Cook County. Further, those responsible will be held strictly accountable under the criminal laws of the state of Illinois. I urge you to immediately inform your membership of the potential for criminal prosecution should their conduct contribute to injury or loss of life."

The daily papers, *Tribune* and *Sun-Times,* both attacked the strike as a strike against the people and supported Mayor Byrne in her attempt to break it. The *Sun-Times,* often considered the more liberal paper, the Democratic Party paper, wrote:

"What has provoked this dangerous, lawless walkout?

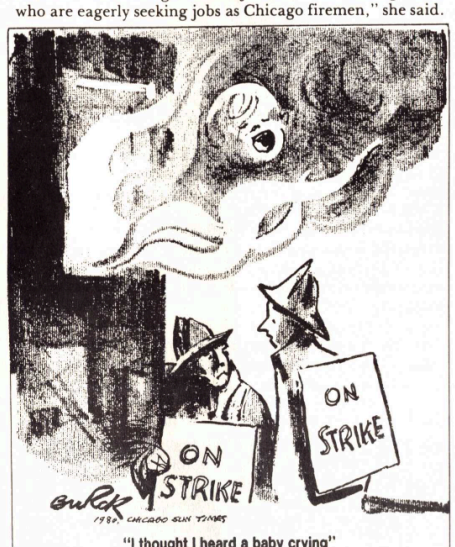
"The right to strike. The right to threaten the lives of Chicagoans every time the union bargains for a new contract.

"And that is intolerable. Mayor Byrne and her team cannot give in on this point.

"Byrne is right to be outraged – and tough. The people of Chicago are with her."

Even the national press joined the attack on Chicago's firemen, the *New York Times* comparing the Chicago firemen to the Iranian militants in Teheran who are holding the U.S. embassy hostages. The *Times* wrote, "The Chicago firemen are holding 3½ million hostages to enforce their demand for the right to do it again whenever they are upset by the terms of a new contract."

Byrne again threatened to use the unemployed against strikers. "Our hiring lists are jammed with Chicago men who are eagerly seeking jobs as Chicago firemen," she said.



"I thought I heard a baby crying"

Press fueled anti-union hysteria. Above, cartoon from the Chicago Sun Times.

The newspapers began to claim that two had died for lack of ambulance service during the strike. Meanwhile, in dangerous situations striking firemen dropped their picket signs and pulled hose beside untrained volunteers, street and sewer workers, and scabs – a very dangerous situation.

On February 14 Jane Byrne went to court to get a contempt citation and a permanent injunction. The judge, however, instead of issuing a contempt citation demanded that both sides go back to the bargaining table, though he also told the firemen to go back to work. But just when both sides were brought back to the table, Byrne again provoked the union, announcing that 11 strikers would be fired immediately and irrevocably and she ordered 2,500 candidate firemen called up from the civil service lists and trained in a crash program on the line. The union attorney, J. Dale Barry, correctly observed that the Mayor was a "provocateur." "Here we're trying to work something out, and she's trying to sabotage it, as she's done throughout."

On February 18, 1980 she called up 300 from the civil service eligibility list and processed them to join the fire department. She and her fire commissioner told the new recruits they would be given a two day crash course in fire fighting and sent to pull hose. At the same time the judge ordered $40,000 per day fines against the union and its officers – $25,000 against the union, $5,000 against Muscare, $5,000 against the International union representative, and $1,000 against each of five other officers of the union.

Faced with Byrne's blatant strike breaking, the executive council of the Chicago Federation of Labor met in extraordinary session to discuss the issue. Reporters waiting in the hall wrote that unnamed members of the executive council hollered, "We ought to stand up and tell that woman, 'To hell with you; we're not going to take this anymore'." The CFL took an unprecedented position – they voted that CFL members would honor firemen's picket lines and would not act as scabs on the firemen.

At the same time, police organizations let it be known that, in the event of the arrest of striking firemen, policemen would join the firemen in their strike.

NEAR GENERAL STRIKE

Another group of Chicago labor leaders issued their own statement blasting Byrne's strikebreaking. Most of them are associated with a more left-wing current in Chicago labor politics. They are Ed Sadlowski, Steelworkers Union District 3 director, former candidate for USWA presidency; James Balanoff, Steelworkers District 31 director; Alice Peurala, Steelworkers Local 65 president; Charles Hayes, United Food and Commercial Workers Union vice-president; and Hazel Griffin, Service Employees Union Local 372 president.

Their statement read in part, "Mayor Byrne is rapidly becoming the city's worst strike-breaker. In the transit strike, the teachers strike and now the firemen's strike, the mayor's first reaction is to threaten union people with loss of jobs and to question their right to retain improvements they have made over the years."

By the 20th of February it looked very much like there would be a general strike of Chicago public workers.

Even the national labor movement was brought into the fight on behalf of the 4,000 firemen. The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) meeting in Bal Harbor, Florida was shocked by union busting in what is considered a "union town". W. Howard McClennan, president of the AFL-CIO Public Employees Department and president of the International Association of Fire Fighters, called Jane Byrne "crazy." "We have always had trouble in Chicago because the membership was not particularly militant," he said. "Apparently she has unified them, because I've never seen them united like they are at this time."

The AFL-CIO council proceeded to pass a resolution condemning Byrne, which read:

"Blame for the current situation in Chicago must rest with those politicians who have refused to conduct substan-

tive negotiations while at the same time refusing to establish a legal framework for labor-management relations for uniformed services." It said that "threats of mass firings, jailings, fines and other harassment by city officials will not settle the strike."

Following a mass meeting of 4,000 firemen at McCormick Place exhibition center on February 20, 1980, the firemen returned to work after seven days on strike on February 21 in what can best be called a truce. Byrne had not yet granted them a contract—but promised that she would within 24 hours; the firemen promised, for their part, that if they didn't have a contract within 24 hours they would be back on the picket line.

THE BETRAYAL

Now, just as it appeared that things were being resolved, and as if the Firemen might win at least a partial victory, Jane Byrne, the Chicago labor bureaucrats, and the press showed all of their viciousness. When the firemen attempted to return to work at the firehouses the city locked them out; hundreds were kept standing outside in the cold wondering what was going on.

Judge John F. Hechinger, who had arranged the agreement between the city and the union, declared that the union was responsible for the breakdown because its members had continued to picket the firehouses until the hour set for the return to work. Hechinger sentenced Muscare to five months in jail for contempt of court.

Hechinger also continued the theme of the city's attack on the public workers as he gave Muscare a humiliating tongue lashing: "I have pity for you, Frank, because you could have joined the ranks of all of the greats who led labor in this city. You were on the brink of greatness with men like William A. Lee, Joseph Spingola, Edward Brabeck, and Louis Peick. But you don't have integrity, and I'm not sure you ever did. And your men are the losers. You have done a dastardly thing to your men, and it will be on your conscience a long time. I am not sure you ever wanted a contract, Frank Muscare, unless you got it on your own terms. We don't need Frank Muscare to tell this city how it will run its most vital bureau."

Asked about his reaction to Hechinger's verbal whipping of Muscare, William Lee said, "The judge said it all."

Byrne continued her mobilization of strike breakers. Over 300 newly hired firemen with two days training, most of it spent watching movies, were sent to work beside physically and emotionally exhausted scabs who had worked 10 straight days without a break. The union claimed in a leaflet, "How Safe is Chicago?" that six firehouses were entirely manned with these raw rookies led by a single officer.

Jane Byrne called a meeting with the big shots of the Chicago labor bureaucracy: William Lee, CFL President, Louis Peick, head of Teamster Joint Council 25, Edward F. Brabeck, head of the Plumbers union and Joseph J. Spingola of the Laborers International. Byrne told them to wreck the firemen's strike and—faced with the loss of the 12,000 prevailing rate jobs which they use politically to support themselves in the union—they carried out Byrne's bidding.

The deal which Lee and Peich forced on the fire fighters was called a "memorandum of agreement"—the same sort of agreement which Mayor Daley had been willing to give the weak public employee associations. It did not give the union a contract, it did not specify the bargaining unit, it did not guarantee binding arbitration, it did not deal with the question of the no-strike clause.

Below, Fire Department officials and a volunteer cop try ineffectively to fill the strikers' shoes.

In fact it did not touch on any of the issues of the strike! It represented a total surrender to Mayor Byrne. The agreement did not even give the strikers amnesty. "The union wants it," said Peick, "but I'm not sure they're going to get it." The "memorandum of agreement" was "practically dictated" to the Firemen's union by Peick and Lee, according to the Chicago papers.

When Peick and Lee met with the Firefighters committee to force the agreement on them, they excluded Michael Lass of the International union of Fire Fighters and they kept out Local 2 union attorney J. Dale Berry. Muscare was not present because he was in jail. With Peick and Lee refusing to honor firefighters picket lines except at the houses, that is refusing to spread the strike to all city employees as the firefighters had hoped, and with the committee weakened by the absence of Muscare and Berry, the Local 2 leaders gave up and signed the memorandum.

THE FIREMEN ANSWER

However, when the leaders took the agreement back to the strike committee they rejected the agreement and refused to submit it to the membership because it was a sellout. They understood that Lee and Peick were the ones responsible, not their own leaders whose judgement and will had momentarily faltered.

As William Kugelman, the Chairman of the strike committee, said, "We were never happy with the Chicago Federation of Labor being in there. They excluded Berry and Lass. They stuck our guys in there with the big guns and railroaded and ramrodded the agreement down their throats. They came back here and apologized for being taken in." The firefighters rejected the "memorandum of agreement" and the strike continued. William Lee criticized the firemen, "The agreement was drawn and they signed it; I'm disappointed they never carried out their agreement."

Kugelman said of him, "He (CFL President Lee) refuses to give us any support. All of the pressure on him, the speeches, the rallies, they've had no effect. He seems to have a ring of lead around his heart."

The *Sun-Times* wrote on its editorial page that "Frank Muscare got what he deserved." And it praised Peick and Lee for using their power and position to smash the strike: "If there were gold medals for civic valor, our nominees would be the old war horses of Chicago's labor movement who charged to the rescue of an imperiled city." In particular they praised "William A. Lee, the 84-year-old president of the Chicago Federation of Labor, who worked for 78 hours last week to wrangle concessions from both sides." The *Tribune* also praised Lee, calling him a "conciliatory negotiator."

However, not all of Chicago's Labor officials are toadies and time-servers of the Democratic Party, Mayor Byrne and the bankers. Many union officials spoke out on behalf of the firemen. On February 23 several thousand firemen, their wives and children, and hundreds of workers from other Chicago unions and from cities all over the country held a rally in Daley Plaza in support of the firemen. Firefighters flew in from Cleveland, Ohio and New York City.

A couple of hundred steelworkers came from East Chicago, Hammond and Gary Indiana. James Balanoff, Director of District 31 of the Steelworkers, the largest district in the International, pledged the support of his organization and members to the firemen. Alice Peurala, who had supported the firemen from the beginning when she resigned from the Mayor's collective bargaining committee and forced the resignation of Lee, also spoke.

Peurala claimed that Byrne had wanted to smash the firefighters union from the beginning and called Byrne and the other Chicago politicians strikebreakers. International union officials supported the local union. Howard McClennan, President of the Firefighters International, assured the strikers of the "full support" of his association and criticized Lee as one person who had been "causing a lot of the problems."

Firemen stood in the cold windy plaza for over two hours to listen to speeches and pledges of support. Periodically cries rang up to "Shut it down" or "Walk"—slogans calling for a general city workers' strike. At other times the crowd chanted "Free Muscare," or "Free the Moon," Muscare's nickname. When a speaker said "Never give up," from 4,000 pairs of lips went up the response, "Never!!"

The local firefighters have attempted to appeal over the heads of the local labor bureaucrats, with their ties to the Democratic Party and its patronage machine, to other bureaucrats who are no less conservative but are at least farther from the immediate pressures of Chicago politics. Local 2 has attempted to get Wayne Kirkland, newly elected head of the AFL-CIO, to have a Federal mediator get the city back to the bargaining table and quit its disruptive and provocative tactics. On February 26 Wayne Horvits, the head of the Federal Mediation and Conciliation Service, tried—but the city refused to bargain until the firefighters returned to work.

[Postscript: The Chicago firemen eventually returned to work under an interim agreement mediated by Rev. Jesse Jackson. It involves partial amnesty and arbitration of disputed issues—but there is still no contract.]

LESSONS OF THE CHICAGO CRISIS

There are a number of points to be made about the Byrne administration and the recent strikes in Chicago. The news media gave the impression that each strike had its separate cause—the militancy and downright greed of the CTA workers, the financial crisis of the schools, probably caused by shinanagins of some crooked accountant, and the politician's promise to the firemen. It seems the world is to be explained by the avarice of the many, the ambition of the few and the apathy of most. It is a cynical and a contemptuous view of history and of politics. And it is not true.

Avarice and ambition play a role, but they are merely

the occasions for the cause, which is the conflict of social classes. The economic malaise of capitalism has driven the capitalist class to attempt to cut its cost by cutting the cost of social services. To accomplish this end, increasingly the bankers in particular are demanding a greater role in politics, which they were willing enough in another period to leave to their underlings. Abboud, Van Gorkom, Yeo, as representatives of the capitalist class, are shouldering their way into the ruling councils of the Democratic Party, which they once controlled at some distance and which they now demand to control close up. These social forces are by no means unique to Chicago. Chicago has its own history, a part of which was the city's particularly backward collective bargaining arrangement with public workers, which buttressed the Democratic Party and kept the unions weak and dependent. But in city after city the bankers have demanded that government cut its expenses by reducing its payroll, holding down wages and cutting services.

New York is the classic case where, since 1975, Lazar Freres Investment banker Felix Rohatyn has run the city for the bankers. The cuts in New York, begun in 1975, go on and on. Mayor Koch just proposed a 1980-1 budget cut of $114 million in which 13,000 jobs will be cut, half of them (7186) in the schools, meaning 4,000 layoffs for educational personnel and a drastic increase of class size.

Lesson of the strike: You can win! Teacher aide Yemiko Kurokawa waves checks for 3 "payless Fridays."

The district will close 40 schools, lay off 3,000 teachers and 1,600 paraprofessionals. And the teachers are being asked to accept a 4% increase as inflation rises at 13% per year.

But the same is true in other major cities as well. Cleveland last year saw an 11-week strike by 5,000 teachers to get a 24% wage increase over 15 months. (See *Changes*, Volume 1, No. 11-12.) They finally got it. But, says the Cleveland school district, it will mean personnel cuts and reassignments because the district is $6 to $8 million short. Over 360 teachers are being laid off as well as 50 principals, consulting teachers and administrators. And 22 of 144 buildings are being closed.

In Philadephia the situation even more closely parallels that of Chicago. Standard and Poors just dropped the city bonds from A minus to Triple B plus. Mayor Green says that 3000 city workers, 10% of the city worker payroll, may have to be laid off because of a deficit of $28 million. The Mayor is proposing no wage increase for teachers and municipal employees, for the third straight year. Angry firemen and police have held several militant demonstrations against the layoffs.

So, in city after city, we find the same crisis—not a result of the ambitious embezzler, not the result of a change of political administrator, not the result of the broken campaign promise or of a particularly militant and aggressive local union leadership—but the result of the underlying crisis of American capitalism working itself out in the fiscal crisis of the cities. And in response to it, in each city and with varying degrees of success, we find the struggle of the labor movement and the communities to keep their jobs, their conditions and their social services.

After the firemen's strike had been going on for a few days a Chicago teacher, now unemployed, stopped to talk to the firemen. "You know," said a fireman standing and rubbing his hands over the wood burning in the barrel, "you know," he said, "when the bus drivers were on strike, I didn't think it had much to do with me; then when the teachers were on strike, I thought, this is sort of like what's going on with us. And now," he said looking at the teacher, "I know it's all the same thing—the CTA, the teachers, the firemen. We've all got to stick together."

Not every public worker has drawn that conclusion. And very few of them would agree that sticking together would mean leaving the Democratic Party or creating a system without bankers. But the old social fabric created under Daley has been ripped apart by these crises, and a new one is being woven by Chicago's workers. Workers like these are tying the threads that will make a prettier picture of Chicago one day. □

FOOTNOTES

[1]Sid Lens, "A More Perfect Union," **Chicago,** November, 1976, pp. 134-290.

[2]Len O'Connor, **Clout**, Avon, New York, 1975, page 33.

[3]Ovid Demaris, **Captive City**, Lyle Stuart, New York, 1969.

[4]Peter R. Knauss, **Chicago: A One-Party State**, Stipes, Chicago, 1974. Chapter 3 "The Great Chicago Sweetheart Contract: The Alliance Between Organized Labor and the Machine".

[5]Michael Kilian, et. al, **Who Runs Chicago,** St. Martins Press, New York, 1979, pp. 1-2.